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ECONOMIC RETURNS TO AUTOMOBILE SERVICE STATIONS  
FROM RECREATION TRAFFIC  
IN THE LAKE OF THE WOODS-RAINY LAKES AREA

A REPORT OF THE LAKE OF THE WOODS-RAINY LAKES COMMISSION

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in cooperation with

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ECONOMIC RETURNS TO AUTOMOBILE SERVICE STATIONS  
FROM RECREATION TRAFFIC  
IN THE LAKE OF THE WOODS-RAINY LAKES AREA

In the July-September period of 1969, automobile service stations in the Lake of the Woods and Rainy Lakes Area realized 32.5 percent of all gasoline sales from vehicles on recreation travel. One-third of these sales were to vacationers from other parts of Minnesota. (Local residents, regardless of their travel purpose, were not counted as vacationers in this study.) The other two-thirds were from other states of the United States and from Canada. Iowa, Illinois and Wisconsin supplied the most customers with North Dakota and Ontario customers ranking fourth and fifth. Relatively more North Dakota visitors appear in the western part of the area, while there are proportionately more from Illinois in the eastern part.

Vehicles traveling on vacation spent \$4.54 on the average, for gasoline. This was approximately the same as for non-local vehicles not traveling on vacation. It was substantially higher than the average \$3.88 spent by local vehicles. Only gasoline sales are represented in these figures, repairs and other sales were substantial but could not be obtained with accuracy.

(Paragraph comparing seasonal sales volumes and relation of recreation sales to total sales to be prepared. Data not available yet.)

Opportunities for other kinds of sales than automotive are apparent on a number of significant counts. Most importantly, there are significant opportunities for business expansion, both for auto services and other kinds of firms:

1. Auto services occupy the key role in building the tourism industry of the area--nearly all travelers come by auto. Travelers may camp and thus not visit resorts or motels. They may bring their own boats and thus not rent from marinas. They may even bring most of their own food. But nearly all must buy gas. No other type of business is so certain to contact visitors to the area!
2. Vacation vehicles carried an average of 2.6 to 3.0 persons each, offering possibilities for food, beverages and other personal sales.
3. Needs for other vacation items are indicated by 35 percent of the vacationers who had camping equipment and well over 50 percent with vacation equipment of some types.
4. Highway traffic surveys and other information on local vacationers indicate a variety of vacationers throughout the year: fishermen in early summer, family traffic in July and August, late summer travelers, bird and deer hunters. Appeals of the area to all these groups can be intensified.
5. Since service stations serve most visitors to the area, they have the first opportunity to sell them:
  - Sell them first class automobile and road service.
  - Sell them something in the immediate area: campgrounds, restaurants, a scenic drive, a historical museum, resorts or other lodging.

--Sell them on the overall area; its beauty, its recreational potential; its charm at other seasons.

If such a selling job is done there is a chance for more than one \$4.54 filling of gas to each customer. There is also a chance that they and more of their friends will be back next year. Other studies of this series have shown that SATISFIED CUSTOMERS are responsible for as much as 75 percent of the vacation travel in the area.

6. *Potential for recreation travel in the Lake of the Woods and Rainy Lakes Area is largely untapped at present. Other information is available to go with that provided in this study so that auto service operators can join with other citizens of the area to help realize the possibilities that are here. Best of all, proper development for tourist appeal can also add to the opportunities that those now living there enjoy.*

Note: All data preliminary.

VEHICLES AND EXPENDITURES, BY ORIGIN AND TRAVEL PURPOSE

	<u>Values</u>		<u>%</u>	
	<u>Vehicles</u>	<u>\$ Gasoline</u>	<u>Vehicles</u>	<u>Sales</u>
Total	1049	4332.45	100%	100%
Local	661	2565.65	63.0	59.2
Out of Area				
Minnesota	158	643.74	15.1	14.9
Other States	230	1123.06	21.9	25.9
On Vacation	310	1407.07	29.5	32.5
Minnesota	(113)	(464.33)	(10.8)	(10.7)
Other States	(197)	(942.64)	(18.8)	(21.8)

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AVERAGE EXPENDITURES BY ORIGIN AND TRAVEL PURPOSE

Average \$ spent / out of state vehicle	\$4.88
Average \$ spent / out of state vehicle on vacation	\$4.78
Average \$ spent Minn. out of area vehicle	\$4.07
Average \$ spent / Minn. out of area vehicle on vacation	\$4.11
Average \$ spent / local vehicle	\$3.88
Average \$ spent / vacation vehicle	\$4.54
Average \$ spent / non-vacation vehicle	\$3.96

# VEHICLE BY STATE OF ORIGIN

States represented: (% of total vehicles). Travel for all purposes.

Minnesota	78.3	Ontario	1.4
Illinois	3.2	N. Dakota	1.6
Indiana	0.8	S. Dakota	0.4
Iowa	3.8	Wisconsin	2.8
Manitoba	1.0	Other	5.6
Missouri	0.3		
Nebraska	0.8		

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## RECREATION EQUIPMENT CENSUS (Includes only vehicles counted as traveling for recreation purposes.)

	<u>Number</u>	<u>%</u>
Total Recreation Vehicles	310	100
Vehicles Having Camping Equipment	110	35
Travel Trailers	(44)	(14)
Pick-up Campers	(34)	(11)
Other Camping Gear (eg. cartop)	(32)	(10)
Vehicles Having Boats	55	18
Other Recreation Gear	50	16

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